and conditions which the permanent incumbent of the office or place is bound to perform or may exercise or to which the said incumbent is liable.

Disqualifications of Municipal Officers and Servants.

Municipal officer or servant not to be interested in any contract, &c., with the corporation.

86. (*1*) Any person who has, directly or indirectly, by himself or his partner, any share or interest in any contract with, by, or on behalf of the corporation, or in any employment with, by, or on behalf of the corporation, other than as a municipal officer or servant, shall be disqualified for being a municipal officer or servant.

(*2*) Any municipal officer or servant who shall acquire, directly or indirectly, by himself or his partner, any share or interest in any such contract or employment as aforesaid, shall cease to be a municipal officer or servant and his office shall become vacant.

(*3*) Nothing in this section shall apply to any such share or interest in any contract or employment with, by, or on behalf of the corporation as under clauses (*h*) and (*k*) of section 16 it is permissible for a councillor to have, without his being thereby disqualified for being a councillor.

CHAPTER V.

MUNICIPAL PROPERTY AND LIABILITIES.

Acquisition of Property.

Powers of corporation as to acquisition of property.

87. The corporation shall, for the purpose of this Act, have power to acquire and hold moveable and immoveable property, whether within or without the limits of the city.

(Chap. V.—Municipal Property and Liabilities. Secs. 88-90.)

Transfer to the corporation of the property of the municipal corporation.

88. All such immoveable and other property as is held by, or in trust for, or has been granted by Government to the corporation under, or in pursuance or for the purposes of any Act hereby repealed, shall, upon and after the date when this Act comes into force, vest in the corporation in trust for the purposes of this Act, but subject to all charges and liabilities affecting the same.

Conditions affecting the vesting of the Vehár water-works in the corporation.

89. (*1*) On the expiry of the term of ninety-nine years, commencing on the first day of July, 1863, for which, in accordance with section 64 of the Bombay Municipal Acts of 1872[a] and 1878[a], the Vehár lake and the property appurtenant thereto, hereinafter referred to as "the Vehár water-works," were vested in the corporation, the Governor in Council may direct that the said Vehár water-works shall vest, and the same shall in such case vest, in the corporation, on the conditions hereinafter provided and for the purposes of this Act, for such further period not exceeding ninety-nine years as shall seem expedient:

Bom. III of 1872. Bom. IV of 1878.

(*2*) Provided that on the expiry of the said first term of ninety-nine years, or of any further term for which the Governor in Council may have directed that the said Vehár water-works shall vest in the corporation, all rights and every power conveyed to the corporation shall forthwith cease and determine, and the said Vehár water-works shall revert to and become vested in Her Majesty [b] as the same were vested in Her Majesty [b] before the first day of July, 1863.

Acquisition of immoveable property by agreement.

90. (*1*) Whenever it is provided by this Act that the Commissioner may acquire, or whenever it is necessary or expedient for any purpose of this

[a] Bom. III of 1872 and IV of 1878 are repealed by s. 2 of this Act.

[b] The words "Her Majesty" were substituted for the original words by Bom. IV of 1888, s. 5 (*1*) (*a*).

Act that the Commissioner shall acquire, any immoveable property, such property may be acquired by the Commissioner on behalf of the corporation by agreement on such terms and at such rates or prices or at rates or prices not exceeding such maxima as shall be approved by the standing committee, either generally for any class of cases or specially in any particular case.

(*2*) And whenever, under any provision of this Act, the Commissioner is authorized to agree to pay the whole or any portion of the expenses of acquiring any immoveable property, he shall do so on such terms and at such rates or prices or at rates or prices not exceeding such maxima as shall be approved by the standing committee as aforesaid :

(*3*) Provided that no agreement for the acquisition of any immoveable property under sub-section (*1*) or (*2*) shall be valid, if the price to be paid for such property exceeds one thousand rupees unless and until such agreement has been approved by the corporation.

Procedure when immoveable property cannot be acquired by agreement.

91. (*1*) Whenever the Commissioner is unable to acquire any immoveable property under the last preceding section by agreement, Government may, in their discretion, upon the application of the Commissioner, made with the approval of the standing committee, order proceedings to be taken for acquiring the same on behalf of the corporation, as if such property were land needed for a public purpose within the meaning of the Land Acquisition Act, 1894.[a] I of 1894.

(*2*) The amount of compensation awarded and all other charges incurred in the acquisition of any such property shall, subject to all other provisions of this Act, be forthwith paid by the Commissioner and thereupon the said property shall vest in the corporation.

[a] The reference to Act X of 1870 is altered in accordance with Act I of 1894, s. 2.

Disposal of Property.

Provisions governing the disposal of municipal property.

92. With respect to the disposal of property belonging to the corporation the following provisions shall have effect, namely—

(*a*) the Commissioner may, in his discretion, dispose of, by sale or otherwise, any moveable property belonging to the corporation not exceeding in value, in each instance, five hundred rupees, or grant a lease of any immoveable property belonging to the corporation, including any right of fishing or of gathering and taking fruit and the like, for any period not exceeding twelve months at a time: Provided that every such lease granted by the Commissioner shall be reported by him, within fifteen days after the same has been granted, to the standing committee;

(*b*) with the sanction of the standing committee, the Commissioner may dispose of, by sale or otherwise, any moveable property belonging to the corporation, of which the value does not exceed five thousand rupees, or grant a lease of any immoveable property belonging to the corporation, including any such right as aforesaid, for any period not exceeding three years at a time;

(*c*) with the sanction of the corporation, the Commissioner may lease, sell or otherwise convey any property, moveable or immoveable, belonging to the corporation;

(*d*) the sanction of the standing committee or of the corporation under clause (*b*) or clause (*c*) may be given either generally for any class of cases or specially in any particular case;

(*e*) the aforesaid provisions of this section shall apply, respectively, to every disposal of

property belonging to the corporation made under or for any purpose of this Act.

Liabilities.

Debts payable by the corporation.

93. So much of the following moneys as are still repayable on the day when this Act comes into force shall be repaid, together with the interest due thereupon, by the corporation, namely—

(*a*) to the Secretary of State for India in Council—

Vehár water-works debt.

(*i*) the balance of the debt due on account of the Vehár water-works [a]referred to[a] in section 140 of the Bombay Municipal Acts of 1872[b] and 1878,[b] with simple interest thereon at the rate of four per centum per annum; Bom. III of 1872. Bom. IV of 1878.

The consolidated loan.

(*ii*) the balance of the consolidated loan, as the same was defined in section 3, clause (*3*) of the Bombay Municipality's Consolidated Loan Act, 1880,[b] due on various accounts, with interest thereon at the rate of four-and-a-half per centum per annum; Bom. II of 1880.

(*b*) to municipal security-holders—

House-rate and market loans of 1867-68.

(*iii*) the house-rate loan and the two market loans raised in 1867 and 1868 under the provisions of the Bombay Municipal Act, 1865,[c] with interest thereon at the rate of six per centum per annum; Bom. II of 1865.

New drainage loan of 1878.

(*iv*) the drainage loan of 1878 raised under the provisions of the Public Works Loan Act, 1871,[d] with interest thereon XXIV of 1871.

[a-a] These words were substituted with effect from the 31st December 1892 for the original words by Bom. I of 1894, s. 2.

[b] Bom. III of 1872, IV of 1878 and II of 1880 are repealed by s. 2 of this Act.

[c] Bom. II of 1865 was repealed by Bom. III of 1872.

[ ] Act XXIV of 1871 was repealed by Act XI of 1879.

at the rate of five per centum per annum;

(*v*) the sanitary works' loans of 1885, 1886 and 1888 contracted under the provisions of the Local Authorities Loan Act, 1879, with interest thereon at the rate of five per centum per annum; Sanitary works' loans of 1885, 1886 and 1888.

XI of 1879.

(*vi*) the portion of the Tánsa water-works' loan contracted under the Act last aforesaid previous to the coming into force of this Act; Tánsa water-works' loan.

(*vii*) the portion of the drainage and water-works' loan of 1888 contracted under the said Act previous to the coming into force of this Act. Drainage and water-works' loan of 1888.

Repayment of moneys due to the Secretary of State in Council.

94. In order to secure the repayment of the Vehár water-works' debt, the Commissioner shall, on the first day of every month, until the whole of the said debt, together with the interest due thereon, shall be liquidated, pay to Government a sum of rupees [a]nine thousand four hundred and ninety-eight.[a] Vehár water-works' debt repayable in monthly instalments.

95. (*1*) The whole of the consolidated loan, together with the interest due thereon, shall be repaid within thirty years from the first day of January 1881. Period of repayment of consolidated loan.

(*2*) For better securing the repayment of the said loan, the Commissioner shall pay half-yearly to Government, on every first day of January and every first day of July, until the whole of the said loan, together with the interest due thereon, shall Mode of repayment.

[a-a] These words were substituted with effect from 31st December 1892 for the original words by Bom. I of 1894, s. 3.

be liquidated, a sum of one lákh seventy-eight thousand three hundred and twenty-six rupees two annas and five pies.

Payments to whom to be made.

96. (*1*) Every payment to be made by the Commissioner under either of the two last preceding sections shall be made [[a]]to the officer for the time being appointed to receive Government dues, or into the Bank of Bombay.[[a]]

Notice of payments to be published.

(*2*) Notice of every such payment having been made shall be forthwith published by the Commissioner in the *Bombay Government Gazette*.

In case of non-payment, report to be made to the Chief Secretary to Government.

97. If the Commissioner fails to make any of the said payments at the prescribed time, the Accountant-General shall, within seven days after the day on which such payment ought to have been made, report the fact to the Chief Secretary to Government or other officer acting in that capacity.

Arrears may be recovered by detention of moneys due to the corporation.

98. (*1*) It shall be lawful for the said Chief Secretary, or other officer acting in that capacity, when any of the said payments is in arrear, to direct any Government officer, not being a municipal authority or officer, to detain, to the extent of any payment or payments then in arrear, any moneys due or that may become due to the corporation, which he may then or thereafter have in his custody or control.

(*2*) Such officer shall detain the moneys which he is so directed to detain and pay the same, as they become due to the corporation, [[a]]to the officer for the time being appointed to receive Government dues, or into the Bank of Bombay.[[a]]

(*3*) The moneys so paid shall be applied in or towards satisfaction of the amount for the time being due in respect of the Vehár water-works' debt or of the consolidated loan, in preference to and with priority over all other incumbrances on and claims to such moneys.

[a-a] These words were substituted for the original words by Bom. I of 1894, s. 4 (*1*).

Or by attachment of the municipal fund, etc.

99. (*1*) If the amount in arrear cannot be recovered in the manner provided in the last preceding section, the Governor in Council may attach the municipal fund, or any tax leviable by the corporation.

(*2*) After such attachment, no person, except an officer appointed by the Governor in Council, shall in any way deal with the attached fund or tax; but such officer may do all acts in respect thereof which the corporation or any municipal authority might have done, if such attachment had not taken place, and may apply the proceeds in satisfaction of the amount in arrear and of all expenses involved by the attachment and subsequent proceedings:

Attachment not to defeat prior charges legally made.

(*3*) Provided that no such attachment shall defeat or prejudice any debt for which the fund or tax attached was previously pledged in accordance with law; but all such prior charges shall be paid out of the proceeds of the fund or tax attached before any part of the proceeds is applied to the satisfaction of a liability for the Vehár water-works' debt or the consolidated loan.

Reversion of Vehár water-works to Government in case of default in payment of any instalment of the debt due on their account.

100. If the Commissioner fails to make any monthly payment, in accordance with section 94, on account of the Vehár water-works' debt and after notice in writing, signed by one of the Secretaries to Government, requiring payment of the same has been served upon him and forwarded to the president of the corporation and published for a period of not less than two months in the *Bombay Government Gazette* shall still fail to make such payment, the said Vehár water-works shall, notwithstanding anything contained in section 88, cease to vest in the corporation and shall forthwith become vested in Her Majesty[a] in trust for the purposes for which the same were previously vested in the corporation.

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[a] The words "Her Majesty" were substituted for the original words by Bom. IV of 1888, s. 5 (*1*) (*a*).

Other rights and remedies of the Secretary of State for India in Council not to be affected.

101. Nothing in the four last preceding sections shall affect the rights or remedies which the Secretary of State for India in Council has or shall have independently of this Act for the recovery of the moneys aforesaid.

Method of appropriating payments on account of the Vehár water-works.

102. The annual sum of the monthly instalments paid by the Commissioner under section 94 and all recoveries made under any of the foregoing sections on account of the Vehár water-works' debt shall be appropriated as follows, namely—

first, to the payment of the interest accrued on account of the principal sum of rupees thirty-seven lákhs thirty thousand and fifty-three due on account of the said debt on the first day of July 1863;

secondly, to the payment of interest on all sums advanced by Government in connection with the said works since the first day of July 1863;

thirdly, to the payment of all sums subsequently advanced as aforesaid; and

lastly, to the liquidation of the said principal sum of rupees thirty-seven lákhs thirty thousand and fifty-three.

Method of appropriating payments on account of the consolidated loan.

103. Every payment made by the Commissioner under section 95 and all recoveries made under any of the foregoing sections on account of the consolidated loan shall be appropriated first to the payment of the interest due at the time of such payment or recovery and secondly to the reduction of the principal.

Repayment of House-rate and Market Loans of 1867-68.

Sinking-fund for house-rate and market loans to be maintained.

104. (*1*) Until such time as the corporation repay the house-rate loan and the two market loans raised in 1867 and 1868 under the provisions of section 253 to 258 of the Bombay Municipal Act,

Bom. II of 1865.

1865,[a] it shall be incumbent on the corporation to maintain out of the taxes, on the security of which the said loans were raised, the sinking-fund prescribed by section 257 of the said Act :

(*2*) Provided that in the event of the corporation's discharging any portion of the said loans at any time previous to the time at which they are repayable in full, it shall be competent to the corporation to reduce *pro tanto* the amount of the said sinking-fund.

Publication of Annual Account of Balances due on Loans.

Account of balances due on loans to be published by the Commissioner yearly.

105. (*1*) The Commissioner shall, in the month of January in each year, publish in the *Bombay Government Gazette* an account showing the balances due by the corporation on the last preceding thirty-first day of December to the Secretary of State for India in Council and to municipal security-holders, respectively, on account of each debt or loan, if any, at the time still repayable by the corporation.

(*2*) The Commissioner shall also cause the said account to be printed and a printed copy thereof to be forwarded to the usual or last known local place of abode of each councillor.

CHAPTER VI.

BORROWING POWERS.

Power to borrow from Government or other persons.

106. The corporation may from time to time borrow or re-borrow and take up at interest from the Secretary of State for India in Council, or, with the sanction of the Governor [b]General of India[b]

[a] Bom. II of 1865 was repealed by Bom. III of 1872.

[b-b] These words were inserted by Bom. IV of 1888, s. 2.